Internal Medicine Coding Alert

2 Top Tips Explain How to Use ABNs to Get Fair Payment

Find out why a patient's refusal to sign doesn't mean you won't get paid

Don't write off unpaid Medicare claims as bad debt. Our experts tell you how to use advance beneficiary notices (ABNs) to avoid this problem.

Tip #1: Focus on More Than Getting the Signature

Try to focus on simply presenting the ABN and informing the patient about the possibility that Medicare may not pay for the particular service, **Stacie L. Buck, RHIA, LHRM,** president and founder of Health Information Management Associates Inc., said recently in a teleconference on ABNs for The Coding Institute in Naples, Fla.

When a patient refuses to sign an ABN but still decides to go ahead with the service, you must document it in her record. The patient can still be held liable for payment because you notified her that a Medicare denial is likely, according to Iowa's Medicare carrier, says **Cynthia Swanson, RN, CPC**, a management consultant for Seim, Johnson, Sestak & Quist LLP in Omaha, Neb.

Make sure you report the service with modifier GA (Waiver of liability statement on file) even though the patient refused to sign the ABN, Buck says. Not attaching modifier GA tells Medicare that the patient isn't liable for the charges in the event of a denial, when in this case the patient should be held liable, Swanson says.

Example: Your internist performs a colon cancer screening on a 76-year-old patient who has a family and personal history of colon cancer, meeting Medicare's definition of "high risk." Medicare will pay for screening colonoscopies every two years for patients at high risk, but your patient can't remember when he had his last colonoscopy. The patient refuses to sign an ABN, saying that Medicare should pay for all of his tests.

What to do: Have the patient check the box on the ABN form indicating that he wants the service, and get someone to witness the refusal, Swanson says. You will still submit G0105 (Colorectal cancer screening; colonoscopy on individual at high risk) with modifier GA attached and match the appropriate diagnosis codes, V16.0 (Family history of colorectal cancer) and V10.06 (Personal history of colorectal cancer), just as if the patient had signed the ABN.

Tip #2: Develop an ABN 'Sixth Sense'

You don't need to obtain an ABN for services not included in the Medicare benefit. Use modifier GY (Item or service statutorily excluded or does not meet the definition of any Medicare benefit) for statutorily non-covered services, because this will speed up your Medicare denial so you can bill the secondary payer or the patient, Buck says.

For example: You can expect Medicare to deny your claims for 99396 (Periodic comprehensive preventive medicine ...; 40-64 years), but if you attach modifier GY to 99396, it will bring that denial back to you faster.

Don't overlook: If you believe that Medicare will reject your claim but there isn't an ABN on file, you can use modifier GZ (Item or service expected to be denied as not reasonable and necessary).

Note: Check your local Medicare carrier's ABN and related modifier instructions, because requirements may vary.